



**The Malad  
Chamber of  
Tax  
Consultants**



**Price ₹ 5/-  
(For Members Only)**

# MCTC Bulletin

*Duty • Determination • Dedication.....leads to Success*

**Regd. Office** : B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai 400 064 E-mail: maladchamber@gmail.com  
**Admn. Office** : C/o. Hiten Shah : Office No. 1, Ekveera Apartment, 32, Underai Road, Malad (W), Mumbai – 400 064. Tel. No. 022-2880 3123

**Vol. I, No. 2**

*For private circulation only*

**May, 2012**



## *President's Communiqué*



Dear Members,

Informing about the last meeting which was held on 22<sup>nd</sup> April, 2012 Sunday on the topic State Budget Proposals on MVAT Act & Rules wherein the speakers were CA Janak Vaghani & Dilip Parekh, Tax Consultants.

I am happy to inform you that the Hon'ble Finance Minister has accepted our two post-budget suggestions i.e., TDS on transfer of certain immovable properties and TCS u/s. 206(C)(1D).

We have organised our 9<sup>th</sup> RRC at Discover Resort, Neral from 8<sup>th</sup> June to 10<sup>th</sup> June. Details given in Bulletin.

Vacations are seen as an antidote to work. They are medicine, a remedy for counteracting the effects of labour.... Vacations allow us to be away from the job, to change the patterns of our day, to alter our routine, to reconfigure our actions and habits, to rediscover ourselves.

Vacations are designed to refresh the outlook of everyone. No matter how tired they may be when they return to work, vacationers have been refreshed emotionally and intellectually. Their effectiveness in their job has probably improved, and they are, generally speaking, better employees for the time off.

So I invite you all to join MCTC RRC at Discover Resort, Neral.

Next Study Circle Meeting is on 17<sup>th</sup> June, 2012 Sunday on Amendments in Service Tax by CA Bhavin Mehta.

With warm regards

**Brijesh Cholera**  
*President*

For Query & Submission of forms for Membership/Seminar please contact any of the following Office Bearers

NAME	CONTACT NO.	E-MAIL ID
<b>BRIJESH M. CHOLERA</b> , PRESIDENT	9821405200	brijeshcholera@gmail.com
<b>SACHIN R. GANDHI</b> , VICE PRESIDENT	9821482020	sachin23gandhi@yahoo.co.in
<b>VISHAL J. SHAH</b> , HON. TREASURER	9869147065	vishalshahassociates@yahoo.com
<b>KISHOR HAPANI</b> , HON. SECRETARY	9820438125	kishor_hapani@rediffmail.com
<b>VIPUL M. SOMAIYA</b> , HON. SECRETARY	9223418790	vipulsomaiya@gmail.com

**Life Membership Fees ₹ 1,500 • Ordinary Membership Fees ₹ 300 p.a. • Admission Fees : ₹ 100**



# SALES TAX UPDATE

By CA Nitin D. Kenia, CA Bharat K. Gosar

**Notification issued by the State Government under the M.V.A.T. Act, 2002****PFT/2012/ADM-20/NTF-15 dated 19<sup>th</sup> March, 2012**

With effect from 1-4-2012, an application for profession tax registration in Form I and profession tax enrolment in Form II will be required to be made in electronic mode.

**JC(HQ)/VAT/205/97 dated 4<sup>th</sup> April, 2012**

Rate of VAT TDS on amounts payable to unregistered contractor is increased from 4% to 5%. The amendment is applicable with effect from 1-4-2012.

**The Government of Maharashtra has Gazetted the Maharashtra Act No. VIII on 25th April, 2012 and made the following changes in various Acts. After these amendments, consequential amendments in Rules are expected. The final effect of the amendments will be known only after the Rules are amended. A bird's-eye view is given here-under.**

Sr. No.	Section	Particulars	Changes	Date of Effect
<b>A</b>	<b>Under Maharashtra Value Added Tax Act, 2002</b>			
1	2(15A) & (17A)	Motor Spirit & Petroleum Products	List of items covered under Motor spirit & Petroleum Products are defined. Actually, there is already a Notification dated 30th November, 2006 which has listed the items to be covered under "Motor Spirit" and "Petroleum Products". However, this Notification is effective from 01.12.2006. Now, the Act itself is amendment with retrospective effect.	1/4/2005
2	2(29)	Tax	Definition of "Tax" will also include Purchase Tax. This amendment is effected to empower State to levy purchase tax on Cotton and Oil Seeds.	1/5/2012
3	3	Registration	Amendments made for inclusion of word "Turnover of Purchase" in all sub-sections for calculating the limit of turnover for the purpose of registration. For calculating the limit of turnover for the purpose of obtaining new registration, the turnover of purchase shall also be considered only in respect of those items which will be liable for levy of purchase tax.	1/5/2012
4	6A & 6B	Levy of Purchase Tax	On purchases of following goods from unregistered dealer or person, Purchase Tax will be levied, if purchased goods are (i) transferred to interstate branch or agent or (ii) used in manufacturing of taxfree goods or (iii) used in manufacturing of taxable goods and goods so manufactured are transferred to inter-State branch or agent.	
			a) Cotton	Date will be notified
			b) Oil Seeds	1/5/2012
			Rate of Purchase Tax to be levied on such URD purchases will be equal to rate of Sales Tax	





Sr. No.	Section	Particulars	Changes	Date of Effect
5	8(3)	SEZ Units	The benefit available under this Section is extended to Co-developers of SEZ. The word "Developer" and Co-developer" is separately defined in this Section itself.	1/5/2012
6	8(3C)	Textile Processors	Tax exemption to textile processors granted under Notification dated 21.02.2008 is continued.	8/4/2011
7	10	Authorities	Post of "Special Commissioner" is created.	1/5/2012
8	20	Delay in Filing of returns	Late filing fees for delayed return is proposed at Rs. 5000/- per return and return will not be uploaded unless and until late fees is paid.	Date will be notified
9	26	Stay in Appeals	In any appeal, if the dealer has already taken three adjournments or fails to attend hearing for three times, then the dealer will have pay 15% of disputed amount in appeal or Rs. 15 crores whichever is less to continue the stay against the recovery of dues. This amount will be inclusive of any part payment made earlier towards the disputed amount.	1/5/2012
10	26A	Commissioner's Power in respect of filing of Appeals	Various powers are given to Commissioner of Sales Tax in respect of filing of appeals to higher Authorities.	1/5/2012
11	29(2A)	Penalty	Penalty equal to tax amount is prescribed for a person who has carried the business without registration under MVAT Act.	1/5/2012
12	29(8)	Levy of Penalty	For late filing of returns, provision for penalty is proposed to be deleted in view of introduction of concept of late filing fees.	Date will be notified
13	31A	Tax collection at Source	Tax shall be collected and paid to State Government by an Notified Auctioneers. The purchaser will get the credit of the tax so collected and paid by the Notified Auctioneer. The list of such auctioneers is not yet notified.	1/5/2012
14	41(4)(c)	Exemption from Payment of Tax	Tax exemption is provided in respect of sales of furnishing cloth covered by Notification under Schedule Entry C-101 except at a last point.	1/5/2012
15	59	Transfer of Proceedings	New category of Thane and Raigad district has been created.	1/5/2012
16	86(3)	Preservation of copies of invoice	Time limit for preservation of copies of invoices is increased from three years to eight years.	1/4/2005



Sr. No.	Section	Particulars	Changes	Date of Effect
<b>B UNDER PROFESSION TAX ACT</b>				
1	3(2)	Liability of Enrolled person	Liability to pay profession tax in case of newly enrolled person is restricted for last 8 years only.	1/5/2012
2	6(1)(3)	Filing of Returns	There will be a fees of Rs. 1,000 per return for delay in uploading of return. Unless and until late fees is paid, return will not be uploaded.	Date will be notified
3	6(1)(4)	Revised Returns	Uptill now, there was no provision for filing of revised return. With this amendment, a person will be able to upload the revised return within six months from the end of the relevant year.	1/5/2012
<b>C UNDER ENTRY OF MOTOR VEHICLES INTO LOCAL AREA ACTS, 1987</b>				
1	3	Levy of tax	Uptill date, Entry Tax was payable on entry of Motor Vehicles for the purpose of its "use or sale". Now, Tax will leviable in respect of entry of Motor Vehicles for its "Use, consumption or sale".	1/5/2012
2	7A	Electronic filing	Provisions are incorporated so as to introduce electronic filing of applications, payment of tax, uploading of returns etc.	1/5/2012
<b>D UNDER ENTRY OF OTHER GOODS INTO LOCAL AREAS ACT, 2002</b>				
1	Rate Schedule	Various entries	Rate of entry tax is linked with the rate of sales tax under the MVAT Act.	1/5/2012
2	Entry 16 of Rate Schedule	Natural Gas	Entry Tax @ of 12.5% will be levied on entry of Natural Gas	1/5/2012

### **Circulars issued by the Commissioner under the M.V.A.T. Act, 2002.**

#### **Trade Circular No. 5T of 2012 dated 31<sup>st</sup> March, 2012.**

With effect from 1<sup>st</sup> April, 2012, an application for profession tax enrolment numbers and registration numbers are required to be made online. *Vide* this Circular, the Commissioner has explained the procedure for online submission of application in Form I / II for obtaining Profession Tax registration and Profession Tax enrolment number under the Profession Tax Act, 1975.

#### **Trade Circular No. 6T of 2012 dated 21<sup>st</sup> April, 2012.**

*Vide* this Circular, the Commissioner has allowed to carry forward the refund of financial 2011-12 to adjust in financial year 2012-13 provided the amount of refund is less than Rs. one lakh.

#### **Trade Circular No. 7T of 2012 dated 24<sup>th</sup> April, 2012.**

The Commissioner has clarified the due dates of payment of tax and due dates for submission of applicable annexures (C, D, G, H, I, J-1 and J-2) and uploading of returns for different categories of dealer / deemed dealers.





## DIRECT TAXES – LAW UPDATE

By CA Haresh P. Kenia

- **DTAA OF INDIA WITH TANZANIA {205 TAXMANN 235 (ST.)}**

Notification No. 8/2012 [F.No. 503/02/2005-FTD-II]/S.O. No. 303(E) dated 16/02/2012

The Central Government has notified that all the provisions of DTAA with Tanzania shall be given effect to in Union of India w.e.f. 1<sup>st</sup> day of April, 2012.

- **INCOME TAX (FOURTH AMENDMENT) RULES, 2012 – AMENDMENT IN THE TABLE OF THE NEW APPENDIX I {206 TAXMANN 9 (ST.)}**

Notification No. 15/2012 [F.No. 149/21/2010-TPL]/S.O. 694(E) dated 30/03/2012

Depreciation on wind mills installed after 31-3-2012 has been restricted to 15%.

- **CHANGE IN THE PROVISIONS FOR FILING RETURN OF INCOME AND INTRODUCTION OF NEW INCOME TAX RETURN FORMS {206 TAXMANN 9 (ST.)}**

Notification No. 14/2012 [F.No. 142/31/2011-TPL]/S.O. 626(E) dated 28/03/2012

- (i) An individual or HUF must file the return of income electronically under his digital signature for A.Y. 2012-13 and subsequent years if his total income exceeds Rs. 10 lakhs.
- (ii) A resident individual or HUF must file return of income electronically under digital signature for A.Y. 2012-13 and subsequent years if —
  - (a) he has assets (including financial interest in any entity) located outside India;
  - (b) signing authority in any account located outside India.
- (iii) The prescribed ITR Form Sahaj – ITR-1 and Sugam – ITR-4S cannot be used by a resident individual or resident HUF to file return of income if —
  - (a) he has assets (including financial interest in any entity) located outside India;
  - (b) signing authority in any account located outside India.
- (IV) New Return Forms : Sahaj – ITR-1, ITR-2, ITR-3, Sugam – ITR-4S, ITR-4 and ITR-V are prescribed.

## SERVICE TAX UPDATE

By CA Rajkamal Shah

### MALAD CHAMBER OF TAX CONSULTANT

The CBEC has issued circular to the effect that 12% of service tax shall be applicable on 8 specified services provided by a individual or partnership firms (Chartered Accountants, Cost Accountants, Company Secretaries, Engineers, Lawyers, Architects, etc.) who are required to make payment after 31st March, 2012 on receipt basis even in case the bills are issued and services provided prior to this date. (Circular No. 158/9/2012 – ST, dated 08/05/2012)

The professionals are aware that earlier CBEC had issued a circular ( 154/5/2012 – ST, dated 23/03/2012) that those 8 specified service providers were required to make payment on amounts received after 31st March, 2012 in respect of service provided by them prior to this date.

The CBEC has issued a circular that the airlines shall be required to pay service tax at 10% (subject to applicable exemptions) in relation to tickets issued before 1st April, 2012 and when the payments received before that date by them of their agents. (Circular No. 155/6/2012 – ST, dated 09/04/2012)

## FORTHCOMING EVENT

### EIGHTH STUDY CIRCLE MEETING

Day & Date	Sunday, 17th June, 2012
Time	10.00 a.m. to 12.30 p.m.
Venue	SNDT College, Liberty Garden, Malad (W), Mumbai-400 064.
Speaker	CA Bhavin Mehta
Subject	Amendments in Service Tax



# 9<sup>th</sup> RESIDENTIAL REFRESHER COURSE

AT DISCOVER RESORT, NERAL

FROM 8<sup>TH</sup> JUNE 2012 to 10<sup>TH</sup> JUNE 2012

Dear Members,

We are happy to welcome you all at our 9<sup>th</sup> RRC to be held at Discover Resort, Damothe Village, Neral-Kalam Road, Neral, Karjat Taluka, Raigad District, Maharashtra, India, Pin Code: 410 101 from 8th June, 2012 to 10th June, 2012

Neral is located in the western coastal region of Maharashtra. The district was renamed after Raigad, the fort which was the former capital of the Great Maratha leader Shivaji.

One of the bigger cities in the Raigad District is Neral. Nestled in the foothills of the Sahyadri mountains, it is the perfect hideaway from the hustle and bustle of city life. Located less than 80 kms from Mumbai, Neral is a picturesque little town that sits on the banks of river Ulhas. Straddled by the Matheran mountains on one side and the Deccan Plateau on the other, the region is famous for its temperate weather and panoramic views.

Sr. No.	PAPER	PAPER WRITER
1	Revised Schedule VI-Overview	CA Kalpana Soni
2	Recent Bombay High Court Judgement on Sec.48(5) & MCHI	Dilip Parekh (Tax Consultant)

## Enrolment Fee per person (Direct Joining)

1. Double Sharing Room ₹ 4,750/-
2. Child (4 to 11 Yrs) (In Same Room) ₹ 3,000/-

(Enrolment Fee mentioned above is of direct joining if majority of members agree we can arrange Bus that will be of extra cost.)

## Instructions:

1. The Enrolment fee includes Taxes, A.C. Rooms, Lunch, Afternoon Tea/Coffee, Dinner and Breakfast, Conference Kit.
2. Any item which is not a part of the package shall be paid by the members directly to the hotel immediately on demand.
3. Application for refund or replacement will not be entertained.
4. Allotment of Rooms will be at the sole discretion of RRC Committee.
5. The programme in detail will be circulated to the Enrolled members in due course.
6. The "Check In" Time in hotel is 12.00 p.m. Early check in will be subject to availability only. However, lunch will be served at Hotel at 1.00 p.m.
7. The "Check Out" Time in hotel is 11.30 am. Late check out will be subject to availability only. However, Morning Breakfast will be served at Hotel from 8 a.m. to 10 a.m.
8. You can visit [www.discoverresorts.in](http://www.discoverresorts.in)
9. For the Enrollment Form and any clarification, kindly contact the following members:-

Name	Mobile Number	Name	Mobile Number
Brijesh Cholera— <i>President</i>	9821405200	Sachin Gandhi— <i>Vice President</i>	9821482020
Kishor Hapani— <i>Secretary</i>	9820438125	Vipul Somaiya— <i>Secretary</i>	9223418790
Adarsh Parekh— <i>Convenor</i>	9869105103	Raj Shah— <i>Convenor</i>	9867368285



## NOTICE OF ANNUAL GENERAL MEETING

To

The Members,

Notice is hereby given that 33<sup>rd</sup> ANNUAL GENERAL MEETING of The Malad Chamber of Tax Consultants will be held on Sunday, 8<sup>th</sup> July, 2012 at 10.30 a.m. at SNDT Mahila College, Liberty Garden Road, Malad (West), Mumbai – 400 064 to transact the following business :

### AGENDA

1. To read and confirm minutes of the last Annual General Meeting held on 24<sup>th</sup> July, 2011.
2. To receive and adopt Audited Statement of Account of the Chamber for the year ended 31-03-2012 along with Auditors Report and Annual Report of the Managing Committee for the period from 25-07-2011 to 07-07-2012.
3. To appoint auditors for the year 2012-13 and to fix their honorarium.
4. To declare results of the election of the President and Twelve Members of the Managing Committee for the year 2012-13.
5. To transact any other business with the permission of the Chair.

FOR THE MALAD CHAMBER OF TAX CONSULTANTS

Sd/-

KISHOR HAPANI / VIPUL SOMAIYA  
(HON. SECRETARIES)

Place : Mumbai

Dated: - 11th May, 2012

**Registered Office:** B/6, Star Manor Apartment, 1st Floor, Anand Road Extn, Malad (West), Mumbai – 400 064.

### Notes

1. The report of the Managing Committee, Auditor's Report and Audited Statements of Accounts will be emailed to all separately.
2. If there is no quorum by 10.30 a.m., the meeting will be adjourned for half an hour and the adjourned meeting shall be held at the same place with the same agenda and the members present will form the quorum.
3. The queries, if any, on Accounts and Annual Report should be sent at least 3 days before the day of A.G.M. at the Administrative Office of Shri Hiten Shah, Office No.1, Ekveera Apartment, 32, Underai Road, Malad (W), Mumbai-400 064
4. Any member desiring to move any resolution at the Annual General Meeting should send the proposed resolution at the above administration office on or before 7<sup>th</sup> June, 2012.





**NOTICE OF ELECTION**

To  
The Members,  
**The Malad Chamber of Tax Consultants**

The Election of the President and Twelve Members of the Managing Committee for the ensuing year 2012-13 shall take place on Sunday, 8th July, 2012 at 9.30 a.m. at SNTD Mahila College, Liberty Garden Road, Malad (West), Mumbai-400 064.

Nominations in the prescribed form should be filed so as to reach not later than 5 p.m. on Saturday, 23rd June, 2012

FOR AND BEHALF OF THE MANAGING COMMITTEE

SD/-  
KISHOR HAPANI/VIPUL SOMAIYA  
(HON. SECRETARIES)

Place: - Mumbai  
Dated: - 11th May, 2012

Registered Office: - B/6, Star Manor Apartment, 1st Floor, Anand Extn. Road, Malad-West, Mumbai-400 064.

1. Members in arrears of membership subscription shall not be entitled to contest the election or to propose or second any candidate for the election or to vote at the election.
2. Withdrawal of nomination for the elections can be made by the candidate on or before 6.00 p.m. of 3rd July, 2012
3. The Managing Committee has appointed Shri S. S. Kelwadi and Shri J. D. Rawal as Election Committee Members for the election of the President and 12 Managing Committee Members.
4. Nomination for the post of President and Managing Committee Members may please be collected and sent to the office of Shri Brijesh M. Cholera Shop No. 4, 2nd Floor, The Mall, Station Road, Malad-West, and Mumbai-400 064.
5. The Voting, if required, will commence at 9.30 a.m. and end at 10.30 a.m.

Printed by Kishor Dwarkadas Vanjara published by Kishor Dwarkadas Vanjara, on behalf of The Malad Chamber of Tax Consultants, (name of owner) and Printed at Finesse Graphics & Prints Pvt. Ltd., 309, Parvati Industrial Premises, Sun Mill Compound, Lower Parel, Mumbai-400 013. Tel. Nos.: 24961685/24961605 Fax No.: 24962297 (name of printing press) and published at The Malad Chamber of Tax Consultants B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai-400 064. Tel. No. 022-2880 3123. (full address of the place of publication) • Editor : **Shri Kishor Vanjara**

**Posted at Malad (W) Post Office, Mumbai 400 064**

**Date of Posting : 20th & 21st May, 2012**

To

*If undelivered, please return to :*

**The Malad Chamber of Tax Consultants,**  
B/6, Star Manor Apartment, 1st Floor,  
Anand Road Extn., Malad (W),  
Mumbai-400 064.

